Tax-Spared Revolving Underwriting Facility

2212. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India has successfully arranged for a tax-spared revolving underwriting facility (RUF) $ 30 million in the Euro-dollar market;

(b) if so, the period for which facility is available; and

(c) how it will be utilised and how the tax-sparing advantage be passed on to the investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Yes, Sir.

(b) Ten years, with equal reduction in the amount of facility to be made semi-annually, beginning at the end of the 5th year. The facility being revolving, Industrial Development Bank of India can repay and redrew at its discretion throughout the life of the facility.

(c) The funds will be utilised by Industial Development Bank of India for on-lending to its Indian clients for financing import of capital goods and services for approved projects/schemes. The investors will be able to offset their tax liabilities by presenting tax-sparing loan certificates to their revenue authorities.

News-item captioned 'How Banks dupe Small Investors'

2213. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned 'How banks dupe small investors' which appeared in the 'Business Standard', Calcutta of the 2nd March, 1986;

(b) if so, what are the details in this regard; and

(c) what steps Government propose to take to set matters right and ensure early return of money locked up in the share applications to the applicants?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Government have seen the press report on the subject.

(b) and (c) Reserve Bank of India have reported that their Calcutta Regional Office had received one complaint regarding misutilisation of two demand drafts for Rs. 100/- each tendered along with applications for shares of Champagne India Limited by a resident of Arrah (Bihar).

The Reserve Bank of India have directed the two banks concerned to investigate the matter and trace out the ultimate beneficiaries for appropriate remedial/punitive action.

Companies making public offer of capital are required to finalise allotments and issue refunds within 10 weeks from the closure of the subscription list. Where refunds are delayed beyond this period the companies are required to pay interest for the delayed period beyond 10 weeks at the rate of 15 per cent per annum.

Mandatory Certification Scheme

2214. SHRI DINKARRAO GOVINDRAO PATIL:

SHRI K. VASUDEVA PANICKER:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have identified the additional items affecting health and safety of consumers under